

STATE OF MICHIGAN
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS
FISCAL YEAR ENDED SEPTEMBER 30, 1999
(In Thousands)

	ENTERPRISE	INTERNAL SERVICE	TOTALS PRIMARY GOVERNMENT (MEMORANDUM ONLY)	COMPONENT UNITS
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 720,511	\$ (27,906)	\$ 692,605	\$ (5,569)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	648	29,090	29,739	310
Amortization of deferred items (net)	-	-	-	3,686
Interest (nonprogram) and investment income	-	(621)	(621)	(90,382)
Interest expense	-	-	-	277,812
Other adjustments	41	-	41	586
Changes in assets and liabilities:				
Amounts due from other funds	-	5,509	5,509	-
Amounts due from component units	-	-	-	(79,357)
Amounts due from primary government	-	-	-	(1,674)
Amounts due from federal agencies	-	(20)	(20)	(6,878)
Amounts due from local units	-	-	-	(369,455)
Inventories	(683)	(1,542)	(2,225)	(49)
Mortgages and loans receivable (program loans)	-	-	-	23,225
Other assets	1,286	(6,814)	(5,528)	(11,173)
Accounts payable and other liabilities	(116,182)	6,465	(109,717)	58,829
Amounts due to other funds	(53)	6,650	6,597	(837)
Amounts due to component units	-	-	-	2,846
Amounts due to primary government	-	-	-	(147)
Deferred revenue	(484)	376	(108)	(42)
Tuition benefit obligation (nonaccretion portion)	-	-	-	28,071
Net cash provided (used) by operating activities	<u>\$ 605,084</u>	<u>\$ 11,188</u>	<u>\$ 616,272</u>	<u>\$ (170,196)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from sale of bonds and notes	\$ -	\$ -	\$ -	\$ 1,455,355
Principal repayments on bonds and notes	-	-	-	(991,340)
Interest paid	-	-	-	(261,053)
Loans or loan repayments from other funds	-	(3,538)	(3,538)	-
Specific tax on spirits	9,304	-	9,304	-
Grants received from federal government	-	-	-	72,353
Nonoperating grants	-	-	-	1,511
Operating transfers from component units	-	-	-	126,814
Operating transfers from primary government	-	-	-	1,809
Operating transfers to other funds	(742,401)	(270)	(742,671)	-
Operating transfers to primary government	-	-	-	(995)
Equity transfers to other funds	(6,500)	-	(6,500)	-
Equity transfers to component units	-	-	-	(3,851)
Equity transfers from component units	-	-	-	162,713
Other noncapital financing provided	-	-	-	42
Other noncapital financing used	-	-	-	(1,318)
Net cash provided (used) by noncapital financing activities	<u>\$ (739,597)</u>	<u>\$ (3,808)</u>	<u>\$ (743,405)</u>	<u>\$ 562,041</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	\$ (212)	\$ (23,812)	\$ (24,025)	\$ (1,613)
Principal paid on bond and loan maturities	-	(10,368)	(10,368)	-
Interest paid on revenue bonds	-	-	-	(330)
Capital lease payments (including imputed interest expense)	-	(1,214)	(1,214)	-
Proceeds from sale of property, plant, and equipment	-	1,381	1,381	-
Net cash provided (used) by capital and related financing activities	<u>\$ (212)</u>	<u>\$ (34,013)</u>	<u>\$ (34,225)</u>	<u>\$ (1,943)</u>

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	ENTERPRISE	INTERNAL SERVICE	TOTALS PRIMARY GOVERNMENT (MEMORANDUM ONLY)	COMPONENT UNITS
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	\$ -	\$ -	\$ -	\$ (1,394,837)
Proceeds from sale and maturities of investment securities	132,571	-	132,571	1,112,629
Interest and dividends on investments	8,671	-	8,671	134,708
Proceeds from securities lending activities	15,681	-	15,681	-
Expenses from securities lending activities	(14,550)	-	(14,550)	-
Net cash provided (used) by investing activities	<u>\$ 142,373</u>	<u>\$ -</u>	<u>\$ 142,373</u>	<u>\$ (147,500)</u>
Net cash provided (used) - all activities	\$ 7,648	\$ (26,633)	\$ (18,984)	\$ 242,402
Cash and cash equivalents at beginning of year - restated	69,990	98,159	168,149	320,394
Cash and cash equivalents at end of year	<u>\$ 77,638</u>	<u>\$ 71,526</u>	<u>\$ 149,165</u>	<u>\$ 562,796</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Per balance sheet classifications:				
Cash	\$ 4,385	\$ 22	\$ 4,407	\$ 532,772
Equity in common cash	80,072	72,852	152,924	30,024
Warrants outstanding	(6,819)	(1,347)	(8,166)	-
Cash and cash equivalents at end of year	<u>\$ 77,638</u>	<u>\$ 71,526</u>	<u>\$ 149,165</u>	<u>\$ 562,796</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Cost of capital assets acquisitions financed by capital leases or contributed by other funds	\$ -	\$ 842	\$ 842	\$ -
Increase in contributed capital	-	(69)	(69)	-
Gain (loss) on disposal of capital assets	-	-	-	-
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 773</u>	<u>\$ 773</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.